

Commission to Evaluate the Effectiveness and
Future of the
Premium Assistance Program
October 4, 2017

Members Present: Senator Bradley, Senator Carson, Senator Feltes, Representatives Schmidt, Umberger and Wallner (sitting in for Rep Rosenwald), Commissioner Meyers, J. Patterson, L. Guertin, Dr. Wolf-Rosenblum, R. Cornell and Dr. Harker.

Senator Bradley called the meeting to order at 1:05 pm.

Senator Bradley requested DHHS and the Insurance Dept to discuss the medically frail as part of the Premium Assistance population. Jennifer Patterson presented an outline to the commission of one way forward. Her recommendation was the possibility of submitting a Medicaid 1115 waiver along with an 1332 Insurance waiver. She provided a handout titled "NHID Individual Market Stabilization and the Future of PAP Program" which explained the proposal. She indicated we would have to have an actuary do some work prior to determining cost alternatives.

Lisa Britt, Executive Director of Well Sense provided a comparison between what the MCO's provide and what the Exchange Carriers provide. She identified 12 areas that were discussed. A copy is available on the Web site.

The Commission had a wide ranging discussion:

- a. To include differences between reimbursement rates between Medicaid and commercial insurance.
- b. A question that needs to be answered shortly is how are we going to manage the approximately 51,000 people currently in the expansion program.
- c. How do we identify the medically frail and should they all fall under the MCO's or do some of them still remain in the individual market.
- d. Substance Abuse Disorder claims are paid at the Medicare rate rather than Medicaid rate.
- e. Should there be a high risk pool
- f. How are we managing people with in Corrections – if a person spends 24 hours in the hospital Medicaid picks up the cost – People who have served their time are provided information on the Medicaid expansion program
- g. MCO's are contracted at \$358 average per member per month. This includes not only the expanded Medicaid population but also traditional Medicaid. It was noted that many of the Medicaid enrollees are children.
- h. For those that are enrolled for a short term the MCO's receive \$441.

- i. DHHS pays for high cost drugs for Medicaid recipients, where the insurance companies for those in the individual market pick up these costs. The majority of drugs are for HEP C and hemophilia.
- j. Should we remove some or all of the medically frail from the individual market
- k. Is the move to MCO's a better fit for the expansion program

Senator Bradley asked if the NH Hospital Association could update their charts to reflect what has occurred with uncompensated care since Expanded Medicaid was authorized.

Senator Bradley asked that we think about improvements of the programs to better serve the population.

DHHS will provide an analysis of what would happen to Medicaid costs if all medically frail individuals were moved to MCO's. Currently, 11% of the Medicaid population is considered medically frail. These are folks that have self-identified. DHHS will have their actuary and provide an analysis

There is no doubt that high cost claimants are driving up the costs of insurance in the individual market.

The next meeting is scheduled for October 25, 2017.

The meeting adjourned at 3:15.

Karen Umberger, Clerk